

A Responsible Form *of* Government

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*A Discussion of the Civil Administrative
Code Enacted by the Thirty-seventh
(1919) Session of the Nebraska
State Legislature*



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A Discussion of Nebraska's Civil Administrative Code

By SAMUEL R. MCKELVIE, *Governor of Nebraska*

THE United States of America was the first strictly republican form of government ever established. It stood as a happy medium between two extremes—on the one hand, an autocracy with all power centered in one individual; on the other hand, a pure Democracy which contemplates direct action by all the people. It was indeed a representative form of government, which protected individual rights and provided for the economical and efficient administration of government. The entire system consisted of three distinct branches of government: Executive, legislative, and judicial; the first two filled by popular vote, and the third by appointment.

From the fact that the Federal Constitution (Article IV, Section 4) provides that "the United States shall guarantee to every state in this Union a republican form of government" it may be inferred that each state was expected to follow this plan of government; and, in fact, such was the general belief as evidenced in public discussions of that time. But Nebraska, not unlike the majority of the states in the Union, early broke away from that ideal.

When the Constitution of Nebraska was drafted in 1875, provision was made for electing not only a chief executive, but

also several other executives who were to head the different departments of state government. As the state grew, various boards and commissions were created, and these boards were given both executive and administrative power. It was evidently thought that greater security to individual and property rights could be obtained through the delegation of authority to numerous elective and administrative officials, boards, and commissions.

But finally there was so much confusion of authority and responsibility that the system itself became a menace to good government. As a result, many efforts to better the situation have been made in the past few years; governors and legislative committees have repeatedly urged reforms. In 1914, a joint committee of the Senate and House reported eighty-two distinct objects of appropriation and expenditure, whereas the state had started out with seven executive departments in 1875. This committee recommended consolidation of the vast number of miscellaneous departments wherever possible. Governor Morehead, during his administration, advocated the consolidation of departments and declared that where he had been able to follow such a plan he had always showed a saving in expense and an improvement in efficiency. Later, Governor Neville declared that "divided authority and divided responsibility produce waste and inefficiency" and asserted that "it is impossible to handle the state's affairs in the efficient manner that would be demanded by any business man in the conduct of his private transactions."

Noting the successful operation in Illinois of that state's civil administrative code, the Republican party of Nebraska brought the entire proposition to a head, in 1918, by making the following declaration in its platform:

"We favor the enactment of a Civil Administrative Code in this state, creating a financial and accounting system

whereby a vigorous and effective audit over financial expenditures of the state may be established, and providing for the consolidation of the boards, institutions, commissions and different departments and agencies of government, thereby eliminating useless offices and positions and avoiding the overlapping functions thereof; and we further favor the creation of an effective budget system to the end that government functions may be more efficiently and economically administered.”

The Thirty-seventh Session of the Nebraska Legislature carried this plan into effect with the enactment of Nebraska’s Civil Administrative Code. Although the bill contained over 500 pages, only twenty pages consists of new legislation providing for the establishment of the present system of administration. The rest of the bill consists of legislation that had been previously enacted and was included in this bill in order to bring it under the Code.

The Civil Administrative Code eliminates eleven boards and commissions and ten other subdivisions of departments. It creates the following six administrative departments: Finance, Agriculture, Trade and Commerce, Labor, Public Works, and Public Welfare. These departments are administered by secretaries appointed by the Governor with the consent of the Senate. Each of these secretaries receives an annual salary of \$5,000. The six departments are subdivided into bureaus and divisions, the head of each of which is designated as a “chief.” The six secretaries are responsible to the Governor, the chiefs of the bureaus and divisions are responsible to their respective secretaries, and the minor employees are responsible directly to their chiefs. Thus responsibility is fixed at every station and the commonly recognized practices of business administration are established.

The work of each of the six Code departments is briefly outlined in the following pages.

Department of Finance

The organization of the Department of Finance well illustrates some of the changes that the Code Bill has made in the administration of the state's affairs. This department is charged with the preparation and submission to the Legislature of a budget of expenditures and revenues for the next biennium. Estimates of necessary expenditures are secured from each department, together with estimates of the money to be derived from taxation and other sources. This does away with numerous demands which boards and commissions have made upon the Legislature in the past and puts the entire financial system on a business basis. The Bureau of Taxation was created as a subdivision of the Department of Finance and has supervisory powers over all taxation questions in the state.

To reduce duplication in financial accounting and obtain control over expenditures, the Division of Accounts and Pay Rolls in the Department of Finance has taken over the financial accounting work formerly carried on in the separate departments, boards and commissions. Heretofore purchases have been made and contracts have been let without anyone certifying that funds would be available to meet the expense. Under the new plan the Department of Finance has supervision over all funds. As soon as a purchase order is given by any department the estimated cost of the purchase is charged to the respective fund, making it impossible for any department to overdraw its fund thus preventing the creation of deficits. At the end of each month the Department of Finance certifies to each of the Code departments the money remaining unencumbered in the fund of that department.

A modest civil service plan has been instituted under the Code. The same pay for the same duties is now paid through-

out the state service regardless of department lines. Arrangements are also made for the recognition of increased efficiency through advancement in position and pay. The Department of Finance keeps an employees' efficiency service record, which serves as a basis of recommendations for promotion from one position to another.

A daily and monthly work report has been established in each department. It shows the daily service performed by each employee. Heretofore there had been no general record of the daily attendance of the State's employees, and the only available check on each employee's service was the statement of the head of the department, board, or commission to the effect that the employee had completed a month's service. Uniform regulations providing for vacations and sick leave have also been established.

Department of Agriculture

The Department of Agriculture has full police power and control over the enforcement of laws relating to the subject of agriculture in all its branches. Within this department is the Bureau of Markets, created to aid farmers in their problems of distribution and to prepare agricultural statistics. Methods of sorting and grading agricultural products will be evolved so that the markets of the world will be open without prejudice to the products of the farms of Nebraska.

The Bureau of Foods, Drugs, Dairy, and Oil is charged with the enforcement of laws relating to food, sanitation of food, cold storage, drugs, commercial feeding stuffs, gasoline and kerosene, paint and linseed oil, imitation butter, commercial fertilizers, livestock remedies, dairies, weights and measures, agricultural seeds, and hotels. This bureau main-

tains a chemical laboratory to which official samples of any article coming under these laws are submitted for analysis. The Division of Dairy Industry enforces laws relative to that industry and issues licenses to those engaged in handling dairy products.

The Bureau of Animal Industry has charge of the work formerly performed by the Livestock Sanitary Board, giving special attention to the prevention of hog cholera, to eradication of cattle tuberculosis and to enforcement of the stallion registration laws. The Division of Weights and Measures looks after the inspection of scales and measuring devices including oil and gasoline measuring pumps, and enforces the laws relating to the standardization of building materials such as brick. The old Game and Fish Commission becomes a division of the Department of Agriculture.

Department of Trade and Commerce

The Department of Trade and Commerce combines the former banking, insurance, fire-prevention and securities departments. The Bureau of Banking has supervision over all state banks, building and loan associations, as well as over trust and investment companies. The Bureau of Insurance is in charge of a trained actuary and maintains a full corps of examiners. The Bureau of Securities was formerly known as the "Blue Sky Department" of the Railway Commission. This bureau supervises the issue and sale of the securities of all corporations, partnerships and individual enterprises. Its most important duty is to prevent the sale of fraudulent and worthless securities. The Bureau of Fire Prevention, formerly known as the Fire Commission, enforces the state's fire regulations and investigates fires of supposedly incendiary origin.

Department of Labor

This department conducts a free employment bureau, compiles industrial statistics, enforces the laws relative to child labor, workmen's compensation and employers' liability, and looks after the welfare of workers. These laws were formerly administered by the Commissioner of Labor; but the work of the Department of Labor is much more extensive.

Department of Public Works

The most important subdivision of the Department of Public Works is the Bureau of Roads and Bridges. This bureau has charge of the construction of all state and federal aid roads, the designing of all county bridges, the construction of state-aid bridges, and the administration of the motor vehicle tax laws. This bureau works in close co-operation with the county commissioners and the federal government in supervising the expenditure of funds for the improvement of Nebraska's system of state roads. About 4,500 miles of road are now being improved under the supervision of this bureau with the aid of state and federal funds. Another very important bureau in this department is the Bureau of Irrigation, Water Power and Drainage. This bureau has supervision over matters dealing with the irrigation systems of the state as well as over all water-power developments.

Department of Public Welfare

Sixteen former departments and boards have been merged into the Department of Public Welfare which has to do with matters relating to sanitation, quarantine and general public

health, licensing of professional people, paroling of prisoners, and child welfare, including the inspection of maternity homes. All records are kept in the central office at Lincoln.

The Bureau of Health, in this department, maintains divisions of contagious and communicable diseases, sanitation, sanitary engineering, venereal diseases, vital statistics, and a bacteriological laboratory, each supervised by an expert.

The secretary of the Department of Public Welfare acts as chief of the Bureau of Examining Boards and the law provides that he "shall have the right at all times to inspect the equipment and methods of teaching in all professional schools, and shall have the power to refuse examination to the graduates of any school which, upon proper notice and hearing, shall be adjudged not a professional school in good standing as defined by the laws of this state." This bureau is divided into the divisions of physicians and surgeons, osteopathy and osteopathic physicians, chiropractic, dentists, nurses, pharmacy, optometry, embalmers, veterinary medicine and chiropody.

The powers of the former Board of Pardons and Paroles are now vested in this department and come under the Bureau of Social Service. All applications for pardons and paroles are now made to the secretary of the Department of Public Welfare, and the Bureau of Social Service makes whatever investigations are necessary in each case.

The chief of the Bureau of Child Welfare exercises general supervision over dependent and delinquent children, cares for their training and education, investigates the importation of dependent children from other states, visits children placed but not legally adopted, and looks after the abused.

Conclusion

A system of uniform reports has been adopted throughout the departments. These reports are made out each week by the bureaus or divisions in each department, and are then submitted to the secretary of the department, where they are compiled. The secretary of each department makes a weekly report to the Governor showing the work performed in his department. Through these, the Governor is able to visualize administrative conditions and results; and he makes these reports the basis of his annual reports to the Legislature and the public.

The Civil Administrative Code accomplishes the State's work with fewer employees and with greater efficiency than under the former system. A practical illustration of its principles may be found in any well-organized business. In every department store, for example, there will be found a responsible form of administrative government in which every employee makes an accounting to someone in higher authority, and no department is left for administration to a group of individuals with divided authority and responsibility.

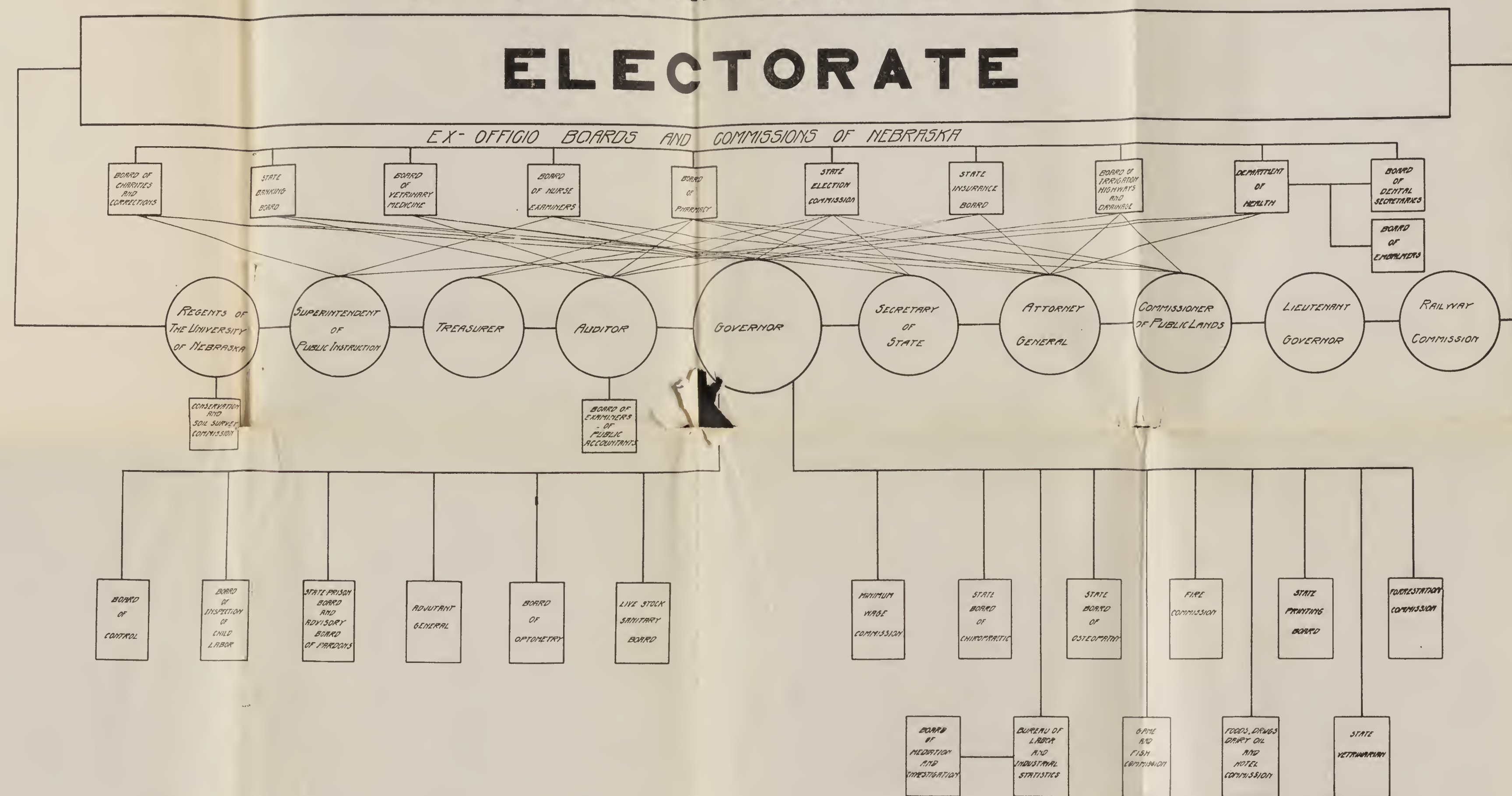
The handling of public business through the old system of boards and commissions is made doubly hazardous by the ever-present disposition of members of such groups to play politics. "Too much politics" is an absolute barrier to the accomplishment of results under the old system; and this barrier is particularly in evidence when it happens that the principal boards or commissions are composed of members of opposing parties or warring factions. The Civil Administrative Code fixes definite responsibility for every detail of the state's affairs.

There is nothing complicated or mysterious about the Code. It is just this — a bill that provides for a simplified

responsible form of government. It does away with the duplication and overlapping of duties in many departments, and consequently brings about an increase in results per dollar of expense and an actual reduction in the number of employees. It makes possible a definite program for each department and subdivision, with appropriations justly commensurate with the work in hand. It takes care of the state's money by centralized purchasing, standardization of salaries, and uniform control of expenditures. It provides for the formation of a budget for the Legislature's guidance, embracing estimates of all resources and expenditures. Finally, it enables the Governor to make detailed reports to the Legislature and to the People so that every voter and every taxpayer may know whether the state's affairs are being efficiently administered.

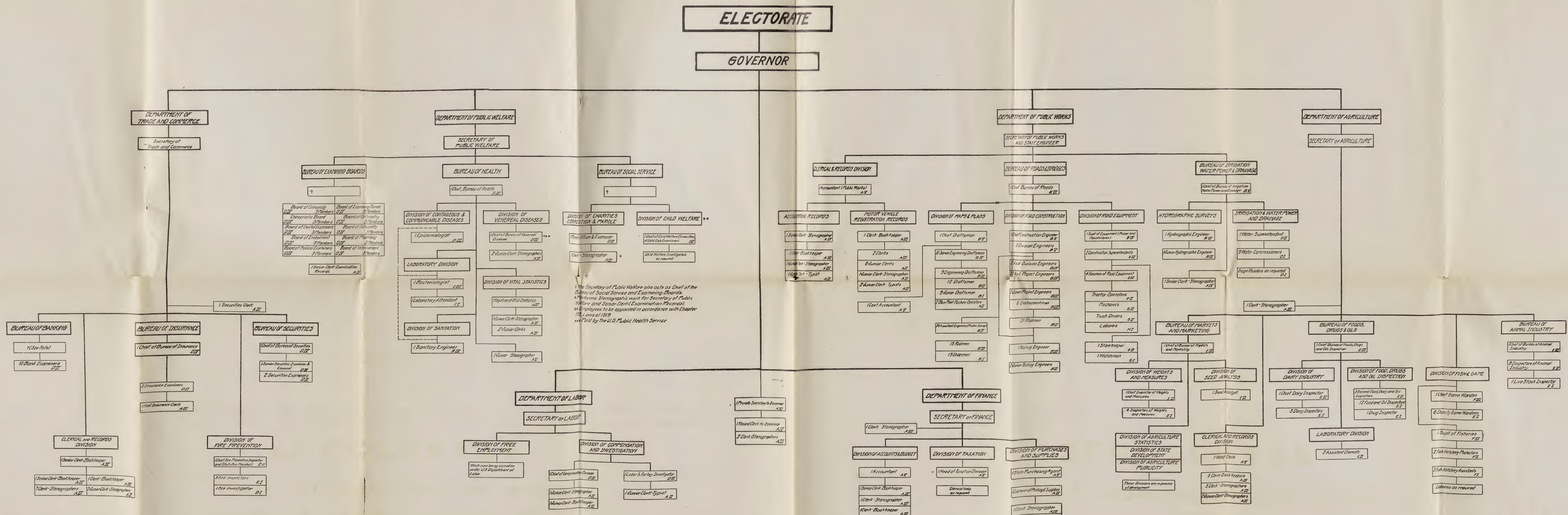
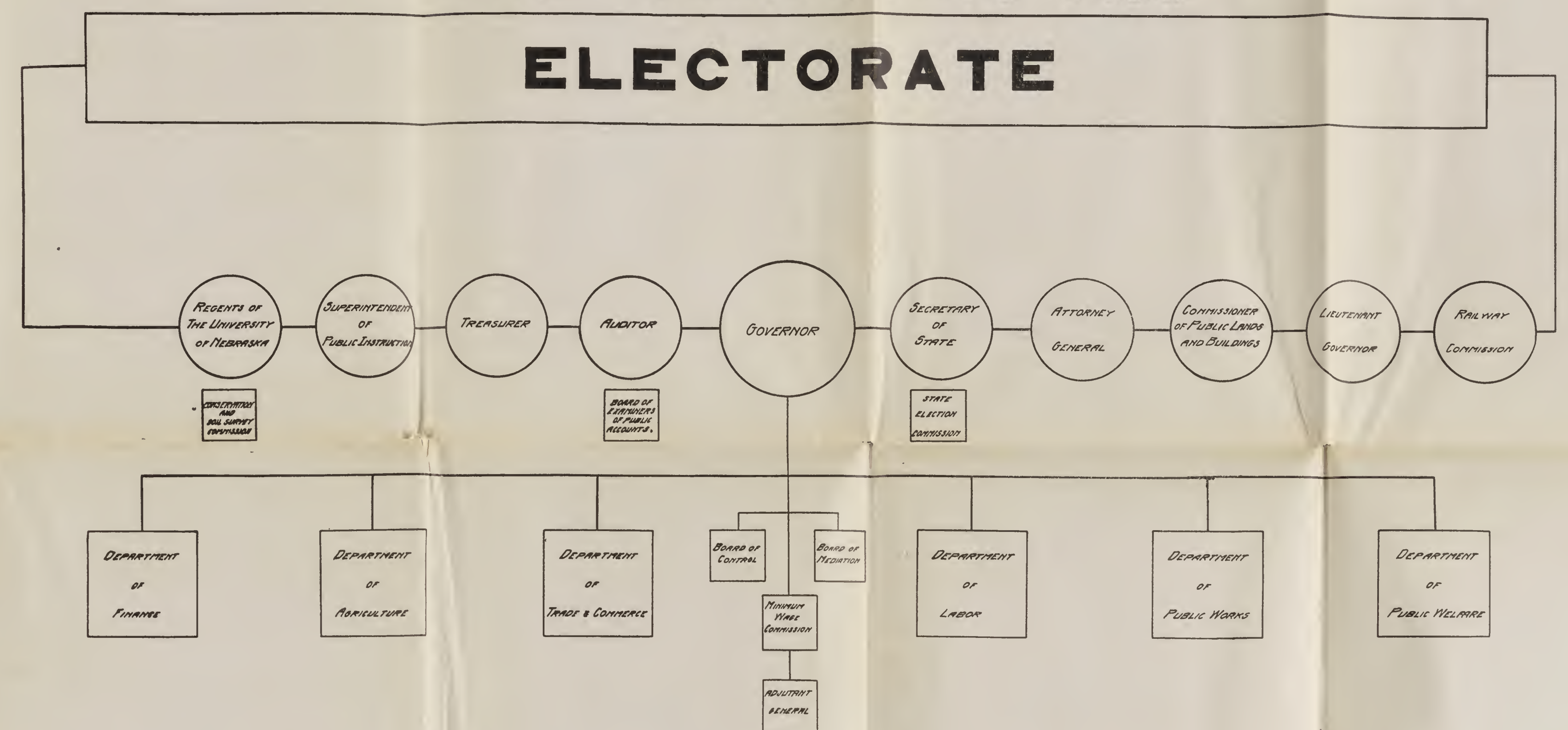
FORMER ADMINISTRATIVE SYSTEM OF NEBRASKA

PRIOR TO RE-ORGANIZATION UNDER
CIVIL ADMINISTRATIVE CODE



PRESENT ADMINISTRATIVE SYSTEM OF NEBRASKA

UNDER
CIVIL ADMINISTRATIVE CODE



* The Secretary of Trade and Commerce also acts as Chief of the Bureau of Banking

The Secretary of the State Board of Equalization acts as Chief of the Division of Equalization unless additional compensation is provided

